Violation of FERA provisions by the Bank of Credit and Commerce International

3486. SHRI A. G. KULKARNI:
DR. BAPU KALDATE:
SHRI VISHWASRAO RAMRAO PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether FERA violations were detected between 1st January, 1987 to 31st December, 1988 by the Directorate of Enforcement Officers in respect of Bank of Credit and Commerce International and some other Indian and foreign banks and the cases were under investigation;

(b) if so, what are the details of the banks and the officials involved and what are the results of investigation; and

(c) what action has been taken against the officers and staff of the banks on the basis of investigation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) A statement giving the details is enclosed

Statement

S. No.	Name of the Bank	Action taken under FERA
1	Bank of Credit & Commerce International, Bombay.	Adjudication proceedings have been completed resulting in imposition of penalties of Rs. 60,000/- on the Bank, Rs. 10,000/- each on Shri Krishna Murari and Vijaya Kapoor and Rs. 500/- each on Shri Jananesh Uppani and P. Ravindran. Besides seized amount of US$26.500/- T.C. of US$1,32,000/ and Rs. 17,00,057/- have been ordered to be confiscated.
2	American Express Bank, Bombay	Show Case Notices have been issued. Adjudication proceedings are pending.
3	State Bank of India, New Delhi.	One Show Cause Notice has been issued. Adjudication proceedings are pending.
4	United Bank of India, New Delhi	Show Cause Notices have been issued. Adjudication proceedings are pending. Prosecution has also been launched against the Bank and its officials; Delhi High Court has granted stay against the prosecution.

Investigation into violation of FERA cases

3487. SHRI VISHWASRAO RAMRAO PATIL:
SHRI A. G. KULKARNI:
DR. BAPU KALDATE:

Will the Minister of FINANCE be pleased to refer to the answer to Starred Question 402 given in the Rajya Sabha on the 30th August, 1988 and state:

(a) whether there is any proposal under Government's consideration to standardise the modalities of legal or quasi-judicial nature in investigations of FERA violation cases; and

(b) whether it is a fact that Mr. L. M. Thapar is to repartriate 11 crores as per assurance given to the Directorate of Enforcement and if so, how much amount has since been repatriated and if not, what action is proposed to be taken against him?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AF-

FAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Prosecution proceedings, in fit cases, are initiated normally after completion of adjudication proceedings.

(b) 31 Show Cause Notices were issued to Thapar Group of Companies. The exact amount to be repatriated would be determined on conclusion of adjudication proceedings in all cases. Shri L. M. Thapar on 16.10.86, had admitted 15 charges involving repatriable amount of Rs. 8 crores, out of which Rs. 1.64 crores have been repatriated.

Import of looms from the Soviet Union

3488. SHRI PRITHIBI MAJHI: Will the Minister of TEXTILES be pleased to state:

(a) whether looms are imported from the Soviet Union for National Textile Corporation; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) and (b) 200 shuttle-less looms imported by NTC from Soviet Union have been installed in the following mills:—

Sl. No.	Name of the Mill	No. of Looms
1.	India United Mills No. 3/4, NTC (MN) Ltd. Bombay.	75
2.	Minerva Mills, NTC (APKK&M) Ltd., Bangalore.	75
3.	Mumbai Textile Mills, NTC (SM) Ltd., Bombay.	25
4.	New Hind Textile Mills, NTC (SM) Ltd., Bombay.	25
		200

Cash Compensatory Support Scheme

3489. SHRI PRITHIBI MAJHI: Will the Minister of Commerce be pleased to state:

(a) whether Government had introduced a Cash Compensatory Support Scheme; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) and (b) Cash Compensatory Support on Expo has been in existance since 1966. The Scheme is reviewed and refined from time to time. It is designed to compensate the exporters against various disadvantages mainly the incidence of indirect taxes not refunded through the Duty Drawback System.

Tackling of sick textile units

3490. SHRI PRITHIBI MAJHI: Will the Minister of TEXTILES be pleased to state:

(a) whether the new Textils Policy envisaged tackling of sick textile units on a case to case basis;

(b) if so, what progress has been made in this direction during the last two years; and

(c) what is the number of sick units provided with rehabilitation package so far?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) Yes, Sir.

(b) and (c) In pursuance of the objectives laid down in the Textile Policy Statement, 1985, Government had set up a Nodal Agency to evolve and manage rehabilitation packages in respect of sick but potentially viable textile mills. The Nodal agency has till 4.1.89 examined the cases of 74 out of 213 textile mills classified as 'sick' by the RBI as on 30th June, 1987. During the last two years packages of reliefs/concessions/additional assistance have been formulated for 17 sick units.